

Paris, February 16, 2012

## **Net current cash flow of €223 million, up by 28% at December 31, 2011**

2011 is remarkable for improved economic and financial performance by Icade and launches of new projects that will contribute to future performance.

### **28% increase in net current cash flow, illustrating Icade's growth momentum**

The net current cash flow reached €223.5 million (€4.32 per share) in 2011 versus €175.0 million for 2010 (€3.43 per share).

All components of current cash flow have improved:

- The EBITDA of the Property Investment division increased by 9%, due to the 12% rise in rental income from the Commercial Investment Property division, as a result of the asset allocation strategy (moving away from residential in favor of commercial assets) and the commercial successes achieved in recent years (Villejuif, H<sub>2</sub>O, Millénaires 1 & 2...);
- 33% increase in EBITDA of the Property Development and Services divisions due to the 7% and 3% improvement in their revenues and margins increase (7.4% and 9.3% in 2011, respectively, versus 5.9% and 7.8% in 2010);
- Continued cut in overheads, which dropped by 7% during 2011;
- Control of financial expenses, which remained stable over the period.

### **Many commercial successes ensuring the future of Icade's growth model**

- An outstanding year in terms of marketing with 105,000 m<sup>2</sup> rented or re-rented (Link, Millénaire 6, Messine...), increasing the financial occupancy rate from 91% at the end of 2010 to 95% at the end of 2011 with a firm term of leases that has increased to 6.2 years;
- Signing of new structuring projects for the Parc du Millénaire with first-class partners (Veolia for approximately 85,000 m<sup>2</sup>, Ministry of Justice for 34,000 m<sup>2</sup>) securing the development of the business parks;
- Momentum maintained at the start of 2012 with the rental of 6,900 m<sup>2</sup> of building 521 to Endemol and 3,700 m<sup>2</sup> of the Factory building to Al Jazeera;
- Nearly 26% increase in the backlog of the Property Development division, which ensures good visibility of future activity:
  - o 9% increase in the residential Property Development division backlog (€884 million) in a market showing a drop in reservations.
  - o doubling of the backlog in commercial Property Development division (€486 million), with major deals committed or finalized: Pushed-Slab (Paris), MacDonald (Paris), START (Saint-Quentin-en-Yvelines), Ambre (Lyons) and Prélude (Bordeaux).
- Firm commitment by French institutional investors to invest €250 million in Icade Santé in the first quarter of 2012 thanks to a reserved capital increase before allowing the continued development of this activity while maintaining Icade's stable exposure to this class of assets.

### **During 2011 EPRA triple net asset value per share increased by 3% to €83.7**

- The EPRA triple net asset value was €4.313 billion (€83.7 per share) at December 31, 2011 versus €4.208 billion (€81.4 per share) at December 31, 2010;
- The total portfolio value at December 31, 2011 was €6.727 billion, composed 95% of commercial assets. This valuation includes the growth potential of business parks only insofar as it is secured and financed. On a like for like basis, the increase in commercial asset value is 2.6%, as a result of letting carried out during the year.

### **Investments of €730 million mainly pre let**

- Acquisition of 13 clinics for €399 million, including 11 clinics (1,900 beds) operated by Médi-Partenaires with firm 12-year leases;
- Delivery of Beauvaisis (12,000 m<sup>2</sup>) and on going renovation of the EQHO tower (80,000 m<sup>2</sup>).

### **Combination project with Silic**

- Creation of the first commercial property investment company in France with a €9.7bn portfolio
- Unique positioning among listed property companies on the stock exchange market ;
- A deal consistent with Icade's financial goals ;
- Solid capital structure preserved ;
- Exchange ratio in line with NAVs of the two companies ;
- Transaction is immediately accretive in cash flow terms.

### **Continued refocusing of activities and assets**

- Arbitrage of mature properties (Atrium for €106 million) or non-strategic properties (Munich for €72.5 million, non-core offices of €17 million and residential/commerce for €80 million);
- Disposal of the activity of property management and student housing ownership in Spain for a total amount of €17 million.

### **Solid financial structure**

- No covenant issues: LTV stands at 40.0% (36.3% taken into account Icade Santé capital increase) and ICR improved to 3.5x;
- Further diversification of funding with the issuance of a USPP and during the year new confirmed credit lines were set up for a global amount of €333 million;
- €344 million of available credit lines at the end of 2011 (before taking into account the Icade Santé €250 million capital increase).

### **Strategic positioning and outlook**

After the successful transformation transactions carried out in 2010 and 2011, the disposal of the residential portfolio, and acquisition and integration of Compagnie la Lucette, Icade pursues its strategy through the combination project with Silic. That transaction will enable Icade to position itself as the leader in the French commercial real-estate sector and strengthen its status on the stock exchange while preserving a solid financial structure.

The 2012-2015 period will also see a number of projects that have been identified - some of which are already in development. This €400 million pipeline of investment projects demonstrates Icade's intention to use its expertise to develop cash flow generating projects and create value.

In the longer term, Icade's positioning is based on the significant potential to be found in developing its business parks on the outskirts of Paris, particularly the Grand Paris project. The successful management of its unique land reserves, which will be increased by those of Silic, will enable Icade to offer a full range of products for users, according to market needs.

The extensive restructuring of its activities combined with its dynamic asset management policy conducted in recent years enable Icade to look positively forward. For 2012, Icade anticipates another

double-digit growth in its net current cash flow, benefiting from an increase in recurring income and a serene outlook for its development division.

### **Dividend**

At the Annual General Meeting that will be held after the settlement of the Silic tender offer and, in any event, before June 30, 2012, Icade will propose the payment of a cash dividend of €3.72 per share, including a €0.37 extraordinary part (assuming Silic dividend of €4.65 per share, in line with 2010). That amount represents a distribution of 86% of the net current cash-flow per share (78% excluding extraordinary part).

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### **Upcoming event:**

First-quarter 2012 revenue: May 14, 2012

### **About Icade:**

Icade is an exchange-listed real-estate company, a subsidiary of Caisse des Dépôts, and engaged in the business of land, real-estate development and related services in the sectors of offices, business parks, shopping centers, public facilities, health and housing. Its expertise in its various business lines enables Icade to provide its clients with tailored solutions and have comprehensive involvement in current real-estate issues. In 2011, Icade posted consolidated revenue of €1.492 billion and had net current cash flow of €223 million. At December 31, 2011, its EPRA triple net asset value was €4.313 billion or €83.7 per share.

*The consolidated financial statements have been audited by independent auditors.*

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*Serge Grzybowski will be presenting the 2011 annual results to analysts on February 17, 2012 at 8.30 am.*

*The slideshow will be available on the following links:*

*for the version in French: <http://www.icade.fr/finance/resultats-publications/presentations-financieres>*

*for the version in English: <http://www.icade.fr/en/finance/results-and-publications/financial-presentations>*

*For participants wishing to hear the conference in French or English, we would advise you to register in advance via the following links:*

*for the version in French:*

*<https://eventreg2.conferencing.com/webportal3/reg.html?Acc=442938&Conf=207424>*

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*Each participant will receive a participating access code, conference access code and the telephone number to call and instructions for joining the conference.*

*For participants choosing not to pre-register on the above links, we would recommend you to call between 10 and 15 minutes before the start of the conference. This will enable you to obtain the necessary information and to ensure that the conference starts at the stated hour. The numbers are as follows:*

*France: +33 (0) 1 70 99 32 12*

*UK: +44 (0) 207 1620 177*

*Reference code: 911301*

***The recording of this presentation in French or in English will be available for 10 days from February 17, 2012 until midnight on February 27, 2012.***

*To rehear the information, numbers are:*

*+33 (0) 1 70 99 35 29 -- France Paris Access Code: 911301 French version*

*020 7031 4064 -- UK London Access Code: 2831206 English version*